F.E.D 7.6.8

PACIFIC FRUIT EXPRESS COMPANY

April News Letter

San Francisco, April 22, 1958

## P.F.E. Loadings

| | 1958 | | | 1957 | | |
|---|---|---|---|---|---|---|
| | PFE Cars | Foreigns | Total | PFE Cars | Foreigns | Total |
| March | 26,565 | 2,375 | 28,940 | 26,489 | 1,087 | 27,576 |
| Jan.-March | 85,893 | 8,138 | 94,031 | 81,254 | 3,785 | 85,039 |

## Car Situation

Situation presently is satisfactory with adequate supplies in all loading areas. Supplies in California are building up slowly. All PFE's were diverted away from foreign lines' service on April 15th and an adequate backlog should accumulate to protect the moderately heavy loading expected during May. With a steadily decreasing ownership of active equipment it will be necessary to hold contract lines' reserve supplies to a reasonable level so that all cars possible may be kept actively employed in long haul service including westbound dead freight loading which latter activity is being progressed through all Eastern General Agencies.

## Crop Conditions

### Along Southern Pacific

Oregon: Storage pears in Rogue River Valley are moving at the normal seasonal rate of 70 to 80 shipments per week and with 508 cars remaining in storage as of March 31st, loading should maintain present volume well into May. Fruit trees were in full bloom April 17th, or about two weeks ahead of last year. Klamath potato shipments are down to 5 to 7 cars daily with storages nearing depletion. Frozen food loading is averaging 6 to 8 cars daily and will probably continue at about this rate during remainder of April. Canned goods shippers are turning to box cars for most shipments.

Northern California: Asparagus loading is declining rapidly and eastern shipping will be finished by end of month. Salinas lettuce is starting to move in a small way from the lighter than normal acreage which was planted in anticipation of Willcox lettuce production starting late in April. Quality is mediocre and yield light due to excessively wet weather during growing season and shipments will not reach heavy volume until about May 10th. The usual Spring peak period, which generally prevails May 5th through May 20th, will be of much shorter duration and lighter in volume. Lettuce from Brentwood and Patterson areas is also in light supply due to poor growing conditions. Kern County potatoes got under way April 9th. Loadings will increase gradually, reaching heavy volume about May 12th.

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Total plantings are about 1,000 acres under last year. Porterville Valencia movement is increasing steadily. Canned goods loading reverted to box cars April 15th.

Southwest District: Salt River lettuce reached peak during week of April 13th with loadings expected to decline rapidly this week. New lettuce deal in Willcox District of Arizona is progressing satisfactorily; however, harvesting will not start until about May 10th, or about two weeks later than expected due to cold weather during growing season. Tomato and vegetable movement off West Coast of Mexico has started gradual seasonal decline, however, expect good volume crossings at Nogales well into May. Vegetable shipping from Oxnard, Guadalupe, and Santa Maria area will continue in steady volume but lighter than last year because of smaller acreage. Citrus loadings will increase gradually.

T.& N.O.: Miscellaneous vegetables from Rio Grande Valley are in seasonal decline. Tomato harvest will get under way this week as also will onion movement from Coastal Bend area and lettuce from Uvalde District.

Cantaloupe importations from Mexico will continue in seasonal volume through the month.

Along Union Pacific

Idaho potato shippers have enjoyed one of the best seasons, market-wise, in several years. Movement has been consistently heavy throughout the deal and loadings are expected to continue in good though declining volume through remainder of April. It appears that storages will be entirely cleared of merchantable stock by end of May.

Northwest District: Movement of storage fruits in good seasonal volume which is well above last year. Miscellaneous commodities including frozen foods, beer, and nursery stock should continue to move in present volume. Beer loading, however, is below last year's volume due to greater use of box cars.

Eastern District: Only occasional shipments of Nebraska potatoes are moving in rail cars as practically all shipping is in trucks, as has been the case throughout the season. Bulk of loading consists of packing house products, canned goods, and miscellaneous.

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Mr. A. W. George, Plant Manager, Sparks, will retire April 30th. Mr. George has had 37 years of service with the P.F.E.

Sincere wishes are extended to Mr. and Mrs. George for much health and happiness in the coming years.

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Mr. R.E. Gilkison, Assistant Plant Manager at Bakersfield, has been appointed to succeed Mr. George, effective May 1, 1958.

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Mr. A. J. Bertolucci has been appointed Superintendent Car Department, Tucson, to succeed Mr. John R. Dunlap, retired.

Mr. Bertolucci began his service with P.F.E. in 1942, and has served in various capacities, including carman helper, carman, foreman, and general foreman.

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Estimated freight shipments in refrigerator cars to originate on P.F.E. contract lines, year 1958 compared with 1957. (First three months, 1958, actual):

| | Year 1958 | Year 1957 | Inc. | Dec. |
|---|---|---|---|---|
| January | 32,826 | 29,033 | 3,793 | |
| February | 32,265 | 28,430 | 3,835 | |
| March | 28,940 | 27,576 | 1,364 | |
| April | 22,100 | 23,741 | | 1,641 |
| May | 27,400 | 28,865 | | 1,465 |
| June | 34,700 | 33,976 | 724 | |
| July | 35,300 | 36,260 | | 960 |
| August | 32,350 | 34,452 | | 2,102 |
| September | 30,750 | 31,554 | | 804 |
| October | 32,600 | 32,838 | | 238 |
| November | 25,500 | 26,254 | | 754 |
| December | 25,100 | 28,235 | | 3,135 |
| | 359,831 | 361,214 | | 1,383 |
| | | | | -.38% |

As indicated above, loadings on contract lines during January, February and March this year were considerably higher than last year. This resulted from increased demand for western produce because of the heavy loss of Florida crops in the severe freeze. However, prospects for balance of the year are not encouraging. The general decline in economic activity and increased truck competition, together with the effects of adverse weather during March and early April in California and Arizona, are expected to cut seriously into railroad perishable loadings.

While faced with reduced income and higher operating costs due to wage and material price increases, it is nevertheless necessary to continue

extensive improvement programs requiring large cash expenditures. Of major importance is the acquisition of new refrigerator cars to replace old equipment no longer suitable for general perishable service.

During 1957, 2,000 new cars costing $26,554,000 were acquired. In 1958 and continuing into 1959 an additional 1,000 mechanically refrigerated cars will be acquired. Cost of this current program is estimated at $21,000,000.

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Chas. Ahern

Vice President & General Manager

Attachment

Perishables and Semi-Perishables Loaded
P.F.E. Contract Lines
During 1957 Compared with 1956

| | 1957 | 1956 | Inc. | Dec. |
|---|---|---|---|---|
| Apples | 5,547 | 5,738 | | 191 |
| Bananas | 15,040 | 13,938 | 1,102 | |
| Cantaloupes | 22,700 | 25,339 | | 2,639 |
| Carrots | 10,613 | 12,703 | | 2,090 |
| Cauliflower | 3,389 | 4,973 | | 1,584 |
| Celery | 17,259 | 16,980 | 279 | |
| Citrus | 29,217 | 31,871 | | 2,654 |
| Tree Fruit | 3,952 | 3,669 | 283 | |
| Grapes | 12,967 | 15,645 | | 2,678 |
| Lettuce | 54,369 | 58,258 | | 3,889 |
| Onions | 8,559 | 9,451 | | 892 |
| Peaches | 2,470 | 2,282 | 188 | |
| Pears | 11,947 | 12,380 | | 433 |
| Green Peas | 826 | 753 | 73 | |
| Plums | 2,676 | 3,271 | | 595 |
| Potatoes | 69,842 | 72,114 | | 2,272 |
| Other Vegetables | 17,326 | 16,243 | 1,083 | |
| Tomatoes | 11,352 | 9,612 | 1,740 | |
| Frozen Food | 12,431 | 13,603 | | 1,172 |
| Beverages | 2,082 | 2,877 | | 795 |
| Canned Goods | 23,273 | 26,449 | | 3,176 |
| Watermelons | 2,571 | 3,118 | | 547 |
| Meat and P.H.P. | 6,497 | 7,631 | | 1,134 |
| Other Miscellaneous | 14,309 | 16,591 | | 2,282 |
| Total | 361,214 | 385,489 | | 24,275 |